

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING  
ELECTIONS, UNIT: V-1835  
(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-93/05/18-0377

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on July 15, 1993 and recorded at Deed Book 757, Page 044 in the Office of the Clerk of the Circuit Court, Wise County, Virginia on July 23, 1993 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Equitable Resources Exploration (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailings dated August 5, 1993 disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated September 13, 1993 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii)

whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interest as part of its Affidavit of Election. A copy of which is attached.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

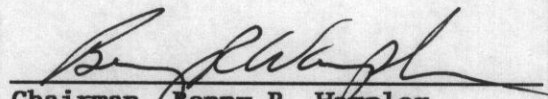
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 6<sup>th</sup> day of December 1993, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )



Acknowledged on this 16th day of December, 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires 7/31/94

DONE AND PERFORMED this 6th day of December 1993 by Order of this Board.

Byron T. Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 16th day of December, 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires 9/30/97

VIRGINIA: In the Clerk's Office of Wise Circuit Court Dec 16 1993  
This deed was presented and upon the annexed Certificate of acknowledgement admitted  
Record at 4:52 P M. The tax imposed by 58.54 1 of the Code has been paid in the  
amount of \$                      Recorded in Deed Book 767 and Page 652  
Attest: C. Gary Rakes, Clerk Terry Rakes Deputy Clerk

VIRGINIA:

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Exploration for Forced Pooling of Interests in Unit Number V-1835, VGOB Docket No. VGOB-93-0518-0377 in the Lipps Magisterial District of Wise County, Virginia

AFFIDAVIT OF HUNTER, SMITH & DAVIS, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of Hunter, Smith & Davis, the Agent for the Designated Operator, with offices located at 1212 North Eastman Road, Kingsport, Tennessee 37664, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on July 15, 1993, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on July 23, 1993;
5. That the Designated Operator, by and through their agent, HUNTER, SMITH & DAVIS, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons



delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

None.

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

Clonnie and Mary E. Lawson

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 3 and 2(c) of the Order.

Claude and Leda O. Lawson

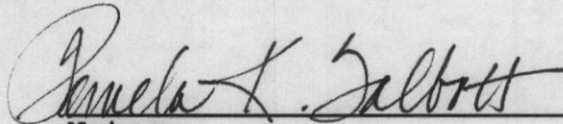
9. That pursuant to the provision of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.

Dated at Kingsport, Tennessee, this 13th day of September, 1993.

  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Exploration, a corporation, on behalf of the corporation, this 13th day of September, 1993.

My commission expires: March 12, 1996

  
Notary

[regulat\erex\election\may\v-1835.aff]



**EXHIBIT "B"**

V-1835 Page 1

VGOB-93/0518-0377

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
<b><u>TRACT 1</u></b>				
Riley Kenneth Rose Margaret L. Rose H.C. #01, Box 468 Jeffersonton, Virginia 22724	Leased-EREX 243360L-01	26.2%	32.91	.0327321
Diana Lowell Rose Brotherton C. Glenn Brotherton 3525 Bigby Hollow Court Columbus, OH 43228	Leased-EREX 243360L-02 Remainderman	4.37	5.49	.0054554
Mary Virginia Rose 3525 Bigby Hollow Court Columbus, OH 43228	Leased-EREX 243360L-02 Life Estate	0.00	0.00	
Equitable Resources Exploration				.2673125
<b>Tract 1 Totals</b>		30.55	38.40	30.55%
<b><u>TRACT 2</u></b>				
Equitable Resources Exploration Attn: Frank E. Holmes Director Land Affairs P. O. Box 1983 Kingsport, TN 37662-1983	Mineral Owner 241709L-01	24.80	31.16	.0310000
Equitable Resources Exploration				.2170000
<b>Tract 2 Totals</b>		24.80	31.16	24.80%
<b><u>TRACT 3</u></b>				
Equitable Resources Exploration Attn: Frank E. Holmes Director Land Affairs P. O. Box 1983 Kingsport, TN 37662-1983	Mineral Owner 241709L-01	23.88	30.01	.0298500
Equitable Resources Exploration				.2089500
<b>Tract 3 Totals</b>		23.88	30.01	23.88%

**EXHIBIT "B"**  
V-1835 Page 2  
VGOB-93/0518-0377

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
<b><u>TRACT 4</u></b>				
Carl Douglas Blanton Margrette A. Blanton 2805 Sunset Lane Sandusky, OH 44870	Leased-EREX 244037L-01	.95	1.19	.0011875
Equitable Resources Exploration				.0083125
<b>Tract 4 Totals</b>		.95	1.19	0.95%
<b><u>TRACT 5</u></b>				
Thurman Graham Loretta Graham Route #2, Box 573 Bristol, Tennessee 37620	Leased-EREX 244020L-01	5.24	6.58	.0065500
Equitable Resources Exploration				.0458500
<b>Tract 5 Totals</b>		5.24	6.58	5.24%
<b><u>TRACT 6</u></b>				
Alton P. Lawson, Sr. Rose Dedulonus Lawson Route #2, Box 573 Bristol, Tennessee 37620	Leased-EREX 243323L-01	4.76	5.98	.0059499
Claude Lawson Leola O. Lawson 1156 Oak Hill Avenue Fairborn, Ohio 45324	Unleased	4.76	5.98	.0059499
Clonnie Lawson Mary E. Lawson Route 11, Box 212 Abingdon, Virginia 24210	Leased-EREX 243323L-02	4.76	5.98	.0059499
Equitable Resources Exploration				.1249503
<b>Tract 6 Totals</b>		14.28	17.94	14.28%



**EXHIBIT "B"**  
V-1835 Page 3  
VGOB-93/0518-0377

<u>LESSOR</u> <u>TRACT 7</u>	<u>LEASE</u> <u>STATUS</u>	<u>INTEREST</u> <u>WITHIN</u> <u>UNIT</u>	<u>GROSS</u> <u>ACREAGE</u> <u>IN UNIT</u>	<u>NET</u> <u>REVENUE</u> <u>INTERESTS</u>
Guy Fatony P. O. Box 5 Big Stone Gap, Virginia 24210	Leased-EREX 244414L-01	.26	.33	.0003250
Equitable Resources Exploration				.0022750
<b>Tract 7 Totals</b>		.26	.33	0.26%
<b>TRACT 8</b>				
Joyce Gross Bates William O. Bates P. O. Box 1323 Coeburn, Virginia 24230	Leased-EREX 244022L-01	.0003	.0377	.0000340
Larry Gross Joyce Gross Route #3, Box 978 Coeburn, Virginia 24230	Leased-EREX 244022L-02	.00004	.005	.0000040
Donald Gross Sheila Gross Route #1, Box 323A Coeburn, Virginia 24230	Leased-EREX 244022L-03	.00004	.005	.0000040
Janice Boatright Roy E. Boatright P. O. Box 1254 Coeburn, Virginia 24230	Leased-EREX	.00004	.005	.0000040
Gary Gross Carolyn Gross Route #1, Box 324 Coeburn, Virginia 24230	Leased-EREX 244022L-05	.00004	.005	.0000040
Equitable Resources Exploration				.0003500
<b>Tract 8 Totals</b>		0.04	0.05	0.04%
<b>TOTALS</b>		100.00	125.66	100.00%